



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

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Governor

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Lieutenant Governor

February 5, 2004

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 2871

William L. Bown
Bonneville Quarries, Inc.
842 West 400 North
West Bountiful, Utah 84087

Re: Notice of Non-Compliance & Division Directive, Bonneville Quarries, Inc., Green Beetle Quarry, S/003/017, Box Elder County, Utah

Dear Mr. Bown:

This letter provides formal notice that mining operations at the Green Beetle Quarry (S/003/017), located in Box Elder County, Utah, are being conducted in violation of the Utah Mined Land Reclamation Act, 40-8-1 et. seq. (Act) and the Minerals Reclamation Program Rules, sections R647-1 through R647-5.

A site inspection was performed on September 16, 2003, which confirmed that large mining operations have been conducted outside of the approved five-acre permit area.

Background information

See attached chronology.

Findings of Non-Compliance

1. Bonneville Quarries, Inc. has expanded their small mining operations to 9.2 acres of surface disturbance, (4.2 acres greater than the 5-acre limit for a small mining operation) without first reclaiming a portion of the site. Rule R647-3-113 requires an operator to file a Notice of Intention to Commence Large Mining Operations (FORM MR-LMO), and receive Division approval of the Notice before exceeding the five-acre disturbance

limit of a small mine. To date, Bonneville Quarries, Inc. has failed to file an appropriate Notice of Intention to include the current areas of disturbance.

2. Rule R647-4-113 requires an operator to post surety with the Division to ensure adequate reclamation is performed, before mining-related disturbances are created. To date, Bonneville Quarries, Inc. has provided reclamation surety in the amount of \$13,000.00. The BLM holds \$8,000.00 of this total for reclamation of the access road leading to Pit #3 and the staging area (1.43 acres). SITLA holds \$5,000.00 for reclamation of Pit #1 (3.4 acres). Reclamation surety has not been provided for the remaining 4.8 acres of current disturbance.

A transitional reclamation surety in the amount of \$24,000.00 (\$5,000 x 4.8 acres) will need to be provided for the remaining 4.8 acres of disturbance, until a reclamation plan is approved so that a reclamation surety can be calculated based on actual costs of reclaiming the Green Beetle Quarry.

Location of Non-Compliance

Disturbances associated with Bonneville Quarry Inc.'s Green Beetle Quarry are located in the SE 1/4 of Section 36, T11N, R16W, and NW1/2 of Section 31, T11N, R15W, SLBM, Box Elder County, Utah.

Mitigation Requirements:

1. **Within 60 days, Bonneville Quarries, Inc. must post a \$24,000.00 transitional reclamation surety and a Reclamation Contract (for 4.8 acres).** This *transitional* surety will remain in place until a Large Mining Notice is submitted and approved. The surety amount will be adjusted accordingly upon Division approval of the Large Mine Notice.
2. Within 90 days, Bonneville Quarries, Inc. must file a Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) to include the total disturbed area.
3. Bonneville Quarries, Inc. must immediately cease all mining operation or removal of any material from the site until the *transitional* surety is posted

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and the Notice of Intention to commence large mining operations is submitted.

4. **Once the transitional surety is submitted and approved by the Division, and the Notice of Intention is submitted to the Division, Bonneville Quarries, Inc. will be allowed to operate within the current disturbed area. The boundary of this 9.2 -acre area must be clearly marked with metal T-posts, or other appropriate markers, to ensure that operations are not conducted outside of the current disturbed area. The markers must be placed so they can be seen in either direction with the naked eye. The markers must be installed prior to commencing any further mining operations.**

Please contact Joelle Burns at (801) 538-5291 to obtain the proper forms for filing the transitional surety and Reclamation Contract.

Penalties for Failure to Comply

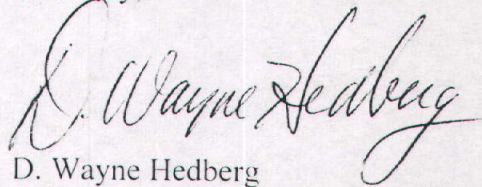
1. Bonneville Quarry Inc.'s failure to resolve this Notice of Non-compliance within the timeframes set forth in this letter will result in the filing of a formal Notice of Agency Action. This enforcement action could require the operator to appear at an informal hearing before the Division Director, or a formal hearing before the Board of Oil, Gas and Mining. Following public notice and formal hearing, the Board may issue an abatement or compliance Order which may require: immediate suspension or termination of all mining operations until the revised plan is approved; revocation of the existing permit and immediate reclamation of the site; and/or other lawful requirements as authorized under the Act.
2. The Board may also ask the County prosecutor or attorney general to bring suit against the operator to enforce its Orders and to seek assessment of appropriate penalties, not to exceed \$10,000 for each knowing or willful violation of the Act.

If you wish to contest this Notice of Non-Compliance, you may contact the Division to schedule an informal meeting with the Associate Director of Mining and members of the Minerals Program staff. If you choose to appeal this Notice and arrange an informal meeting, please contact Vickie Southwick, Executive Secretary, at (801) 538-5304, within 10 days of your receipt of this notice.

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If you have any questions regarding the requirements of this letter, please contact me at (801) 538-5286, or Lynn Kunzler at 538-5310. Thank you for your immediate attention to this matter.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

DWH:LK:jb

Attachment: Chronology

cc: Grace Jensen, BLM

John Blake., STTLA

Mary Ann Wright, Associate Director

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Chronology
Bonneville Quarries, Inc.
Green Beetle Quarry
S/003/017
January 30, 2004

April 14, 1998	The Division received a copy of a Notice of Intention to conduct mining operations on private property near the existing Green Beetle Quarry. Access to this area is across BLM administered lands and the operator applied for a right-of-way from the BLM. Because of the close proximity to the Green Beetle Quarry, the Division notified the operator that this would be considered an amendment to the existing Green Beetle permit, and would not be considered a new operation. At the time of this submittal, mining related disturbances at the Green Beetle Quarry affected approximately 4.7 acres. This proposal would involve an additional 1.7 acres, thus exceeding five acres of disturbance and make this project a large mining operation.
June 25, 1998	During a site visit, the operator expressed concerns about having to permit this as a large mining operation. An agreement was made to reclaim Pit #1 (approximately 3.2 acres) prior to developing the new road and Pit #3 on private lands.
October 26, 1999	Notice received from the BLM that they were ready to approve the operator's right-of-way as soon as the operator completed the reclamation of Pit #1, as previously agreed to.
May 16, 2000	Regrading work completed on Pit #1. BLM issues right-of-way and operator is allowed to proceed with the new disturbances (road and Pit #3) with the understanding that the reseeding work would be completed in the late fall of 2000.
August 16, 2000	SITLA notified operator that mineral lease (ML 44911-BSLS) will expire on August 31, 2000.
September 6, 2000	Joint site inspection with BLM and SITLA to determine what reclamation activities needed to be completed this year.
September 15, 2000	Division sent a certified letter which outlined the reclamation work that needed to be completed by October 31, 2000.
October 19, 2000	Letter from SITLA stating that lease ML 44910-BSLS (for Pit #2) will be terminated if reclamation work is not completed on Pit #1 by November 17, 2000.

- December 13, 2000 SITLA mineral lease ML 44910 terminated. Operator directed to reclaim disturbances immediately.
- May 15, 2001 Site inspected. Operator indicated that the reclamation of Pit #1 and Pit #2 would be completed within the next month. This inspection found that only Pit #1 had been regraded and that about 1/2 of the required manure had been delivered to the site (manure had not been spread).
- May 29, 2003 At the request of Bruce Mitchell of Sawtooth Stone, an inspection was conducted. At this time, Mr. Mitchell was considering acquiring the SITLA lease and assuming the reclamation responsibility through a partial permit transfer. During this inspection, it was noted that the only reclamation work completed since May of 2001 has been the partial backfilling of Pit #2.
- September 16, 2003 Site inspected. No apparent reclamation work completed since last inspection. Mr. Mitchell still working on plans for a partial permit transfer. Operator has been tramping equipment across undisturbed area, creating a new roadway (0.3 acres additional disturbance). Pit #3 and associated disturbance has also been expanded to 2.15 acres.
- December 17, 2003 After digging a test pit, Mr. Mitchell determined that there was not sufficient stone left to warrant his proposed operation. Mr. Mitchell drops plans for partial transfer of Pit #1.
- January 6, 2004 Meeting held with Operator and BLM (in BLM Salt Lake Field Office). Operator was informed that the reclamation work still needs to be completed and that the site is not in compliance. He was also told that the Division would probably issue a Directive to cease all mining activity and removal of materials from the site until mitigation is completed to bring the site into compliance.

NOTE: It has now been over 3 years after the reclamation work was to have been completed on Pit #1 and 2-1/2 years after the work was to have been completed on Pit # 2. There is a total of 9.2 acres of disturbance at this site. Disturbances exclusive of Pit #1 and Pit #2 and the access to these pits is 3.9 acres (1.2 acres larger than the original proposed amendment).